



Metro

Metropolitan Transportation Authority

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Los Angeles, CA 90012-2952

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**EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE
JUNE 21, 2007**

SUBJECT: MEMORANDA OF UNDERSTANDING (MOUs) FOR BOARD STAFF ASSISTANCE

ACTION: APPROVE MOUs FOR BOARD STAFF SUPPORT

RECOMMENDATION

Authorize the Chief Executive Officer (CEO) to approve:

A. Approve MOU with the Gateway Cities Council of Government (COG) for an amount not to exceed \$377,775 plus any percentage in annual salary increases that the Board approves for Metro non-represented employees, for five years.

B. Approve MOU with South Bay Council of Government (COG) for an amount not to exceed \$377,775 plus any percentage in annual salary increases that the Board approves for Metro non-represented employees, for five years.

RATIONALE

In 2005, Board members selected by the League of Cities expressed a need for staff assistance relating to LACMTA matters, and a desire to hire deputies through their respective COGs. The CEO entered into two separate MOUs with the Gateway Cities and South Bay COGs to partially fund Board staff for the Directors who represented these COGs. The two MOUs expire on June 30, 2007. The need for staff assistance for the Gateway and South Bay COGs continues. Approval of the MOUs will enable the Board members representing these regions to continue this support. The employees selected shall be engaged by the COGs at their discretion. The employee shall not be deemed to be an employee of the LACMTA. The term of the MOUs shall commence on July 1, 2007.

The two proposed MOUs will expire on June 30, 2012, unless earlier terminated by mutual written agreement of the parties. In the MOUs, LACMTA agrees to reimburse each COG one-half of the total cost, inclusive of administrative overhead, of the expenses incurred in employing assistance. In year one of the new MOUs, the cost to the agency for each of the two COGs is up to \$75,555, which includes a 3.5% increase over the annual not to exceed amount of the two MOUs currently in place with the COGs.

OPTIONS

Each COG has proposed changes to their respective MOUs, which would result in an increase to the cost proposed by Metro and is in excess of funds included in the proposed budget for the Board Secretary's Office in FY08. The Board could choose to approve the changes as proposed by the COGs.

The proposal by the Gateway Cities COG includes an increase of \$7,777 for the first year, over the Metro proposal (Recommendation A), and an additional increase of up to 5% per year as approved by the COG, for the remaining four year term of the MOU. This differs from Metro's proposal, which includes the salary increases that the Board approves for Metro non-represented employees for the five year term of the MOU. Another change noted in the Gateway Cities COG proposal is to have the option for the space provided by Metro, in the headquarters building, as staff's primary location.

The proposal from the Southbay COG includes an increase of \$24,000 from the Metro proposal (Recommendation B) for the year starting July 1, 2007 and ending June 30, 2008. The COG states the increase shall be used to compensate the Board deputy for the additional time required to support the Southwest Corridor Board member during her service as the LACMTA Board Chair.

FINANCIAL IMPACT

Funding for the MOUs, as proposed by Metro, is included in the proposed FY08 Budget in project 100002, cost center 1110, Office of Board Secretary. However, the proposals made by both the Gateway and Southbay COGs, which result in increases, are not included in the FY08 Budget. Therefore, if the MOUs are approved with these changes, the additional \$31,700 would have to be absorbed in the approved Metro budget. The source of funds for these expenditures is from the Governmental funds budget, primarily Proposition A, C, and TDA administrative funds. Other uses for these funds include governmental oversight such as Audit and Inspector General, Governmental Relations, and Transportation Planning activities.

ATTACHMENTS

- A. Draft MOU - Gateway Cities COG
- B. Draft MOU - South Bay Cities COG
- C. Draft MOU - As proposed by Metro

Changes from LACMTA proposal are identified in ***bold, italic and underlined***.

Prepared by: Don Ott, Executive Officer Administration

B E Deeren for

Lonnie Mitchell
Chief of Administrative Services

R Snoble for

Roger Snoble
Chief Executive Officer

ATTACHMENT A

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is dated as of

June __, 2007, by and between GATEWAY CITIES COUNCIL OF GOVERNMENTS ("GCCOG"), a joint powers authority organized and existing pursuant to the laws of the State of California, and the LOS ANGELES COUNTY TRANSPORTATION AUTHORITY (the "LACMTA"), organized and existing pursuant to the laws of the State of California. The GCCOG and the LACMTA shall be collectively referred to herein as the "Parties."

RECITALS:

- A. The LACMTA Board of Directors ("Board") includes a member appointed by the Los Angeles County City Selection Committee to represent the Southeast Corridor/Long Beach sector of the County of Los Angeles. That member shall be referred to herein as the "COG Representative."
- B. The COG Representative requires staff assistance with his or her duties as a member of the Board comparable to staff available to other Board members.
- C. The LACMTA acknowledges the need of the COG Representative to have a staff assistant ("Assistant") to provide support services in the performance of his or her duties as a Board member.
- D. The Parties desire that the Assistant for the provision of services to aid the COG Representative not be an LACMTA employee, and as such, the Parties understand and acknowledge that the Assistant will not be an employee of the LACMTA. The GCCOG has entered into an arrangement with the City of Bellflower (or other City as determined by the GCCOG) ("City") in which the City will hire the Assistant to aid the COG Representative and the COG will reimburse the City for the expenses in hiring the Assistant.
- E. The LACMTA desires to provide office accommodations to the Assistant and to reimburse the COG a portion of the cost of the Assistant's compensation.

NOW, THEREFORE, the parties hereto do agree as follows:

AGREEMENT:

Section 1. Employee Status of Assistant

- A. The GCCOG shall exercise its sole discretion in its selection of the Assistant. The City shall have an employment agreement directly with the Assistant for the services of the Assistant. The contract between the GCCOG and the Assistant shall herein be referred to as the "Contract."
- B. Assistant shall be an employee of the City of Bellflower and shall not under any circumstances be deemed an employee of the LACMTA.

Section 2. Payment.

- A. The LACMTA shall reimburse the GCCOG in an amount equal to the actual annual cost of the Contract, plus an administrative fee not to exceed 3% of the actual annual cost of the Contract, however, in no event shall the total reimbursement from the LACMTA to the **GCCOG exceed \$83,331.50 for the first 12 months of the Contract, and the same amount for each consecutive 12 month period thereafter during the term of this MOU, except as provided in Section 2.B, below.**
- B. During the term of this MOU, the reimbursement from the LACMTA to the GCCOG for the cost of the Contract shall remain unchanged, **except that the LACMTA shall increase the reimbursement due the GCCOG by the same percentage as that approved by the GCCOG Board of Directors , but in any case, this amount shall not exceed five percent (5%) per year. The increase in reimbursement shall be effective July 1st.**
- C. The reimbursement described in this Section 2 shall be payable by the LACMTA to the GCCOG in 12 monthly installments, each such installment representing approximately 1/12th of the annual reimbursement for the Contract as due under Sections 2.A and B, above. Each month, the GCCOG shall send the LACMTA an invoice for the amount due. The LACMTA shall pay the GCCOG the invoiced amount within 30 days of receipt.

Section 3. Accommodations.

- A. The LACMTA shall provide the Assistant throughout the term of this MOU with accommodations at LACMTA headquarters to aid in the performance of Assistant's duties to provide support services for the COG Representative in the performance of his or her duties as a Board member. The accommodations shall include a common area with access to an enclosed office, telephone, and a computer with internet access, and any other accommodations to which the Parties mutually agree.
- B. **The office space provided by the LACMTA pursuant to this paragraph shall not be the primary office of the Assistant.**
- C. The LACMTA shall provide the Assistant throughout the term of this MOU with the same access to and within the LACMTA headquarters and facilities as that enjoyed by deputies to the other Board members.

Section 4. Term.

The term of this MOU shall commence on July 1, 2007 and expire on June 30, 2012, unless terminated earlier by mutual written agreement of the Parties.

Section 5. Miscellaneous.

- A. **Notices.** All notices which any Party is required or desired to give hereunder shall be in writing and shall be deemed given on the date delivered personally or five (5) days after mailing by registered or certified mail (return receipt requested) to the following addresses or at such other addresses as the parties may from time to time designate by written notice in the aforesaid manner:

To the GCCOG: Gateway Cities Council of Governments
16401 Paramount Blvd.
Paramount, CA 90274

Attention: Richard Powers, Executive Director

To the LACMTA: Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012
Attn: Roger Snoble, Chief Executive Officer

- B. Binding Effect. This MOU shall be binding upon and inure to the benefit of each Party to this Agreement and their respective successors and assigns.
- C. Amendment. The terms and provisions of this MOU may not be amended, modified or waived, except by an instrument in writing signed by the Parties.
- D. Waiver. Waiver by any Party to this MOU of any term, condition, or covenant of this MOU shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this Agreement.
- E. Law to Govern; Venue. This MOU shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles.
- F. No Presumption in Drafting. The Parties agree that the general rule that an Agreement is to be interpreted against the Party drafting it or causing it to be prepared shall not apply.
- G. Entire Agreement. This MOU constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements, whether written or oral, with respect thereto.
- H. Counterparts. This MOU may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute but one and the same instrument, provided, however, that such counterparts shall have been delivered to both Parties to this MOU.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed the day and year first above written.

GATEWAY CITIES COUNCIL OF GOVERNMENTS

Richard Powers, Executive Director

ATTEST:

Name

APPROVED AS TO FORM:

Michael Jenkins, General Counsel

**LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY**

Roger Snoble, Chief Executive Officer

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is dated as of April __, 2007, by and between South Bay Cities Council of Governments (SBCCOG), a joint powers authority organized and existing pursuant to the laws of the State of California, and the LOS ANGELES COUNTY TRANSPORTATION AUTHORITY (the "LACMTA"), organized and existing pursuant to the laws of the State of California. The SBCCOG and the LACMTA shall collectively be referred to herein as the "Parties."

WITNESSETH:

- A. The LACMTA Board of Directors (Board) includes a member appointed by the Los Angeles City Selection Committee to represent the Southwest Corridor of the County of Los Angeles. That member shall be referred to herein as the "COG Representative."
- B. The COG Representative requires staff assistance with his or her duties as a member of the LACMTA Board comparable to staff available to other Board members.
- C. The LACMTA acknowledges the need of the COG Representative to have a staff assistant ("Assistant") to provide support services in the performance of his or her duties as a Board member.
- D. The Parties desire that the SBCCOG contract directly with the Assistant for the provision of services to aid the COG Representative, and as such, the Parties understand and acknowledge that the Assistant will not be an employee of the LACMTA.
- E. The LACMTA desires to provide office accommodations to the Assistant and to reimburse the COG a portion of the cost of the Assistant's compensation.

NOW, THEREFORE, the parties hereto do agree as follows:

AGREEMENT:

Section 1. Contract Between SBCCOG and Assistant

- A. The SBCCOG shall exercise its sole discretion in its selection of the Assistant. The SBCCOG shall contract directly between the Assistant for the services of the Assistant. The contract between the SBCCOG and the Assistant shall herein be referred to as the "Contract."
- B. Assistant shall be a contractor of the SBCCOG and shall not under any circumstances be deemed an employee of the LACMTA.

Section 2. Payment.

- A. The LACMTA shall reimburse the SBCCOG in an amount equal to the actual annual cost of the Contract, plus an administrative fee not to exceed 3% of the actual annual cost of the Contract however, in no event shall the total reimbursement from the LACMTA to the SBCCOG exceed \$75,555 for the first 12 months of the Contract and the same amount for each consecutive 12 months thereafter during the term of this MOU, except as provided in Section 2.B, below.

B. During the term of this MOU, the reimbursement from the LACMTA to the SBCCOG for the cost of the Contract shall remain unchanged, except that the LACMTA shall increase the reimbursement due the SBCCOG by the same percentage as that approved by the Board for LACMTA non-contract employee salary increases. The increase in reimbursement shall be effective the same date that the LACMTA Board approved LACMTA non-contract salary increase becomes effective.

C. The reimbursement described in this Section 2 shall be payable by the LACMTA to the SBCCOG in 12 monthly installments, each such installment representing approximately 1/12th of the annual reimbursement for the Contract as due under Sections 2.A and B above. Each month, the SBCCOG shall send the LACMTA an invoice for the amount due. The LACMTA shall pay the SBCCOG the invoiced amount within 30 days of receipt.

D. For the year starting June 2007 and ending June 2008, the LACMTA shall reimburse the SBCCOG an additional \$24,000 paid in \$2000 monthly installments which shall be used to compensate the staff assistant for the Southwest Corridor Board member during her service as the LACMTA Board Chair.

Section 3. Contractor Status and Accommodations.

- A. The LACMTA shall provide the Assistant throughout the term of this MOU with accommodations at its headquarters to aid in the performance of Assistant's duties to provide support services for the COG Representative in the performance of his or her duties as a Board member. The accommodations shall include a common area with access to an office, telephone, and a computer with internet access, and any other accommodations to which the Parties mutually agree.
- B. The office space provided by the LACMTA pursuant to this paragraph shall not be the primary office of the Assistant.
- C. The LACMTA shall provide the Assistant throughout the term of this MOU with the same access to and within the LACMTA headquarters as that enjoyed by deputies to the other Board members

Section 4. Term.

The term of this MOU shall commence on July 1, 2007 and expire on June 30, 2012, unless terminated earlier by mutual written agreement of the Parties.

Section 4. Miscellaneous.

- A. **Notices.** All notices which any party is required or desired to give hereunder shall be in writing and shall be deemed given on the date delivered personally or five (5) days after mailing by registered or certified mail (return receipt requested) to the following addresses or at such other addresses as the parties may from time to time designate by written notice in the aforesaid manner:

To the SBCCOG: South Bay Cities Council of Governments
5033 Rockvalley Road
Rancho Palos Verdes, California 90275
Attention: Jacki Bacharach, Executive Director

To the LACMTA: Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012
Attn: Roger Snoble, Chief Executive Officer

- B. Binding Effect. This MOU shall be binding upon and inure to the benefit of each Party to this Agreement and their respective successors and assigns.
- C. Amendment. The terms and provisions of this MOU may not be amended, modified or waived, except by an instrument in writing signed by the Parties.
- D. Waiver. Waiver by any Party to this MOU of any term, condition, or covenant of this MOU shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this Agreement.
- E. Law to Govern; Venue. This MOU shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles.
- F. No Presumption in Drafting. The Parties agree that the general rule that an Agreement is to be interpreted against the Party drafting it or causing it to be prepared shall not apply.
- G. Entire Agreement. This MOU constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements, whether written or oral, with respect thereto.
- H. Counterparts. This MOU may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute but one and the same instrument, provided, however, that such counterparts shall have been delivered to both Parties to this MOU.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed the day and year first above written.

SOUTH BAY CITIES COUNCIL OF GOVERNMENTS

Jim Aldinger, Chair, Board of Directors

ATTEST:

Name

APPROVED AS TO FORM:

Michael Jenkins, General Counsel

**LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY**

Roger Snoble, Chief Executive Officer

DRAFT MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is dated as of May __, 2007, by and between COUNCIL OF GOVERNMENTS ("COG"), a joint powers authority organized and existing pursuant to the laws of the State of California, and the LOS ANGELES COUNTY TRANSPORTATION AUTHORITY (the "LACMTA"), organized and existing pursuant to the laws of the State of California. The COG and the LACMTA shall be collectively referred to herein as the "Parties."

RECITALS:

- A. The LACMTA Board of Directors ("Board") includes a member appointed by the Los Angeles County City Selection Committee to represent the Corridor of the County of Los Angeles. That member shall be referred to herein as the "COG Representative."
- B. The COG Representative requires staff assistance with his or her duties as a member of the Board comparable to staff available to other Board members.
- C. The LACMTA acknowledges the need of the COG Representative to have a staff assistant ("Assistant") to provide support services in the performance of his or her duties as a Board member.
- D. The Parties desire that the COG contract directly with the Assistant for the provision of services to aid the COG Representative, and as such, the Parties understand and acknowledge that the Assistant will not be an employee of the LACMTA.
- E. The LACMTA desires to provide office accommodations to the Assistant and to reimburse the COG a portion of the cost of the Assistant's compensation.

NOW, THEREFORE, the parties hereto do agree as follows:

AGREEMENT:

Section 1. Contract Between COG and Assistant

- A. The COG shall exercise its sole discretion in its selection of the Assistant. The COG shall contract directly with the Assistant for the services of the Assistant. The contract between the COG and the Assistant shall herein be referred to as the "Contract."

- B. Assistant shall be a contractor of the COG and shall not under any circumstances be deemed an employee of the LACMTA.

Section 2. Payment.

- A. The LACMTA shall reimburse the COG in an amount equal to the actual annual cost of the Contract, plus an administrative fee not to exceed 3% of the actual annual cost of the Contract, however, in no event shall the total reimbursement from the LACMTA to the COG exceed \$75,555 for the first 12 months of the Contract, and the same amount for each consecutive 12 month period thereafter during the term of this MOU, except as provided in Section 2.B, below.
- B. During the term of this MOU, the reimbursement from the LACMTA to the COG for the cost of the Contract shall remain unchanged, except that the LACMTA shall increase the reimbursement due the COG by the same percentage as that approved by the Board for LACMTA non-contract employee salary increases. The increase in reimbursement shall be effective the same date that the Board approved LACMTA non-contract employee salary increase becomes effective.
- C. The reimbursement described in this Section 2 shall be payable by the LACMTA to the COG in 12 monthly installments, each such installment representing approximately 1/12th of the annual reimbursement for the Contract as due under Sections 2.A and B, above. Each month, the SBCCOG shall send the LACMTA an invoice for the amount due. The LACMTA shall pay the COG the invoiced amount within 30 days of receipt.

Section 3. Accommodations.

- A. The LACMTA shall provide the Assistant throughout the term of this MOU with accommodations at LACMTA headquarters to aid in the performance of Assistant's duties to provide support services for the COG Representative in the performance of his or her duties as a Board member. The accommodations shall include a common area with access to an office, telephone, and a computer with internet access, and any other accommodations to which the Parties mutually agree.
- B. The office space provided by the LACMTA pursuant to this paragraph shall not be the primary office of the Assistant.

- C. The LACMTA shall provide the Assistant throughout the term of this MOU with the same access to and within the LACMTA headquarters and facilities as that enjoyed by deputies to the other Board members.

Section 4. Term.

The term of this MOU shall commence on July 1, 2007 and expire on June 30, 2012, unless terminated earlier by mutual written agreement of the Parties.

Section 5. Miscellaneous.

- A. Notices. All notices which any Party is required or desired to give hereunder shall be in writing and shall be deemed given on the date delivered personally or five (5) days after mailing by registered or certified mail (return receipt requested) to the following addresses or at such other addresses as the parties may from time to time designate by written notice in the aforesaid manner:

To the COG: Council of Governments

To the LACMTA: Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012
Attn: Roger Snoble, Chief Executive Officer

- B. Binding Effect. This MOU shall be binding upon and inure to the benefit of each Party to this Agreement and their respective successors and assigns.
- C. Amendment. The terms and provisions of this MOU may not be amended, modified or waived, except by an instrument in writing signed by the Parties.
- D. Waiver. Waiver by any Party to this MOU of any term, condition, or covenant of this MOU shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this Agreement.
- E. Law to Govern; Venue. This MOU shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles.

- F. No Presumption in Drafting. The Parties agree that the general rule that an Agreement is to be interpreted against the Party drafting it or causing it to be prepared shall not apply.
- G. Entire Agreement. This MOU constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements, whether written or oral, with respect thereto.
- H. Counterparts. This MOU may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute but one and the same instrument, provided, however, that such counterparts shall have been delivered to both Parties to this MOU.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed the day and year first above written.

COUNCIL OF GOVERNMENTS

ATTEST:

Name

APPROVED AS TO FORM:

**LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY**

Roger Snoble, Chief Executive Officer

